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COMMISSION

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February 5, 2013

Mr. Jeff Derouen
Executive Director
Kentucky Public Service Commission
211 Sower Blvd.
Frankfort, KY 40601

David C. Brown
(502) 681-0421
(502) 779-8251 FAX
dbrown@stites.com

RE: Application of Big Rivers Electric Corporation;
Case No. 2012-00492

Dear Mr. Derouen:

Please find enclosed for filing the original and ten (10) copies of a Supplemental Request for Information of Alcan Primary Products Corporation in the above-referenced matter. I have served copies on the parties listed on the Certificate of Service.

Please call if you have any questions.

Very truly yours,

David C. Brown
David C. Brown

DCB/dab

Enclosure

cc: Counsel of Record

907971.7:LOUISVILLE

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COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

FEB 05 2013

PUBLIC SERVICE
COMMISSION

In The Matter of:

APPLICATION OF BIG RIVERS ELECTRIC) CASE NO. 2012-00492
CORPORATION FOR APPROVAL TO ISSUE)
EVIDENCES OF INDEBTEDNESS)

**SUPPLEMENTAL REQUEST FOR INFORMATION
OF
ALCAN PRIMARY PRODUCTS CORPORATION**

Alcan Primary Products Corporation (“Alcan”) requests the Applicant, Big Rivers Electric Corporation, to respond to this Supplemental Request for Information.

DEFINITIONS

1. “Document(s)” is used in its customary broad sense and includes all written, typed, printed, electronic, computerized, recorded or graphic statements, reports or other matter, however produced or reproduced, and whether or not now in existence, or in your possession.
2. If any document requested herein was at one time in existence, but has been lost, discarded or destroyed, identify such document as completely as possible, including the type of document, its date, the date or approximate date it was lost, discarded or destroyed, the identity of the person(s) who last had possession of the document and the identity of all persons having knowledge of the contents thereof.
3. “Big Rivers” means Big Rivers Electric Corporation and/or any of its officers, directors, employees or agents who may have knowledge of the particular matter addressed.
4. “Existing Bonds” means Big Rivers’ 1983 pollution control bonds in the amount of \$58.8 million coming due on June 1, 2013.

INSTRUCTIONS

1. The Requests shall be deemed continuing so as to require prompt further and supplemental production if at any time during this proceeding you locate or obtain possession, custody or control of additional responsive documents.

2. Any studies, documents, financial statements or projections or other subject matter not yet completed that will be relied upon during the course of this proceeding should be provided as soon as they are completed. You are obliged to change, supplement and correct all answers to these Requests to conform to available information, including such information as it first becomes available to you after the answers hereto are served.

3. Unless otherwise expressly provided, each Request should be construed independently and not with reference to any other interrogatory herein for purpose of limitation.

4. The answers should identify the person(s) supplying the information.

5. Please answer each designated part of each information request separately. If you do not have complete information with respect to any interrogatory, so state and give as much information as you do have with respect to the matter inquired about, and identify each person whom you believe may have additional information with respect thereto.

**SUPPLEMENTAL REQUEST FOR INFORMATION OF
ALCAN PRIMARY PRODUCTS CORPORATION**

1. Please refer to the Amended Application, page 3, lines 17-18. If the Commission should approve the use of funds from the 2012 CoBank term loan to purchase the Existing Bonds, does Big Rivers also require the approval of CoBank to use the funds for this purpose rather than for capital expenditures. If your answer is Yes, please provide the reference of such requirement in the CoBank loan documents, describe the process under which such approval would be sought, and state whether Big Rivers has received any preliminary indication that such approval would be granted.

2. Please refer to the Amended Application, page 5, lines 18-22, which refers to the 2012 Financing Order stating that the Transition Reserve should “. . . be used exclusively as an emergency fund to offset the loss of revenue should one or both smelters close, unless authorized by the Commission to use the funds for another purpose.”

(a) Does Big Rivers now consider itself in an “emergency” situation?

(b) Now that both Century and Alcan have provided Big Rivers with Notice of Termination, if Big Rivers utilizes the Transition Reserve for the intended purposes of funding capital expenditures, what will the source of funds be to offset the loss of revenue when the smelter contracts terminate in approximately seven and twelve months, respectively.

(c) If your answer to (b) is to later access the capital markets, and on the assumption that Big Rivers cannot now access the capital markets, what makes Big Rivers believe that it can access the capital markets later in 2013 or early 2014?

3. Please refer to Exhibit 2 to the Amended Application, and the line Total Cash Balances/Investments/Reserves.

- (a) Please explain how much of the stated \$334,116,487 represents free cash reserves as of December 31, 2012; that is, cash reserves not currently designated or earmarked for specific uses. In your answer, please state in which investment(s) those funds are held.
- (b) Please reconcile the amount of free cash reserves as of December 31, 2012 on Exhibit 2 with the stated operating cash balance of approximately \$110,000,000 in Big Rivers' Response to Alcan's Initial Request for Information, Item 7.
- (c) Using the same definition of free cash as described in this Request, what was the level of free cash as of January 31, 2013?

4. Please provide Big Rivers' operating margin for 2012 together with its internal calculation of Contract TIER and MFIR for the year (unaudited).

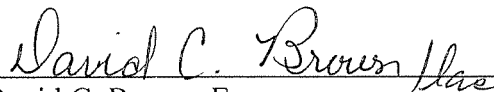
5. Please refer to the Amended Application, page 7, section 12. Is it Big Rivers' position that it has a continuing obligation to replenish the Transition Reserve as long as it is providing power for resale to the smelters but that such obligation will terminate once the smelters are no longer purchasing power under the existing Retail Electric Service Agreements? If your answer is Yes, please explain the rationale for your answer.

6. In Big Rivers' Response to Alcan's Initial request for Information, Items 15, Big Rivers projects ending cash balances of \$82.8 million in 2013, \$81.0 million in 2014 and \$82.8 million in 2015. In Big Rivers' Response to Alcan's Initial request for Information, Items 14, 15 and 16, Big Rivers furnished the following information:

	2013	2014	2015
Capital Expenditures	\$47.7M	\$47.3	\$48.1
Debt Reductions	\$22.6M	\$22.0	\$22.9
Capital Expenditures – Compliance	\$32.2M	\$29.3	
New Compliance Debt – Compliance	\$31.8M	\$27.6M	

- (a) Please verify the correctness of the foregoing information as provided in the prior Responses or revise accordingly.
- (b) Does the foregoing information change with Big Rivers’ revised strategy for retiring the Existing Bonds? If so, please provide revised information.
- (c) Please provide in chart format the calculation of the ending cash balances for 20113, 2014 and 2015 (from item 15 or as revised) including specific budgeted information for all major determinants (i.e., margins, depreciation, debt repayment, capital expenditures, new borrowings).

(d) Please provide in the same chart format the ending cash balances for 2013, 2014 and 2015 assuming Big Rivers (i) does not receive approval to use the Transition Reserve, (ii) does not receive approval to utilize the CoBank term loan proceeds, and (iii) is not able to utilize either the Transition reserve or the CoBank term loan proceeds.



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**Counsel for Alcan Primary Products
Corporation**

CERTIFICATE

A copy of the foregoing Initial Request for Information has been served on the following persons by electronic mail and by depositing same in the United States mail this the 5th day of February, 2013:

James M. Miller
Tyson Kamuf
Sullivan, Mountjoy, Stainback & Miller
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